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Mexico

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Mexico to Consider Additional Sugar TRQs

Report Categories:

Sugar

Agriculture in the Economy

Agriculture in the News

Policy and Program Announcements

Food Security

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Report Highlights:

The Secretariat of Economy (SE) announced on August 4, 2011, that it was studying sugar inventories in order to ascertain whether additional tariff rate quotas (TRQs) may be necessary during the first three months of the next sugar marketing year (October/September). Earlier in the summer, SE issued 2 announcements for a combined TRQ of 150,000 MT.

General Information:

This report summarizes SE [Announcement No. 159](#) published on August 4, 2011. SE announced it will evaluate the possibility of establishing a sugar TRQ for the first three months of the next sugar cycle (October 2011 - September 2012).

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Summary: A free translation of the announcement is provided along with some additional background information.

Title: The Secretariat of Economy Announced Measures to Ensure the Supply of Sugar for Consumers

In light of the current increase in international sugar prices and the uncertainty surrounding the availability of this sweetener in the domestic market, SE announced that, in order to guarantee the consumption of this staple, it will evaluate the possibility of establishing an additional sugar TRQ during the first three months of the next sugar cycle (October 2011 - September 2012).

SE and the National Committee for the Sustainable Development of the Sugar Cane (CONADESUCA) are reviewing the sugar export trend in order to prevent incurring an eventual reduction of sugar inventories during the current sugar cycle that concludes on September 30, 2011.

CONADESUCA's analysis of physical sugar inventories, audited as of May 31, 2011, and the inventories forecast, will allow SE to take the appropriate measures to ensure the timely supply of sugar for the population and to mitigate the pressure of domestic sugar prices and other products associated with this sweetener.

Background: SE published two announcements that establish a combined 150,000 MT TRQ for sugar on June 30 and July 1, 2011, in the *Diario Oficial* (Federal Register). The June 30, 2011, publication titled *Agreement that Announces a Sugar Tariff Rate-Quota and Allotment Mechanism to Import Sugar in 2011* allows the import of 135,000 MT from all countries subject to specific tariffs. The July 1, 2011, publication titled *Agreement that Announces a Sugar Tariff Rate-Quota and Allotment Mechanism to Import Sugar Originating from the Republic of Nicaragua in 2011* allows the import of 15,000 MT. SE had announced these TRQs based on the forecast that sugar demand will exceed available domestic supplies in the second half of 2011. (See MX1048 *Expected Tariff Rate Quota for Sugar*) At this time, the amount of the additional TRQ, its origin, and the mechanism of allocation is uncertain.

FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

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Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
MX1048	Expected Tariff Rate Quota for Sugar	06/13/2011
MX1029	Sugar Annual Report	04/15/2011
MX0071	Formal Announcement of Sugar TRQ	10/13/2010
MX0069	Sugar TRQ for 100,000 MT Expected	10/1/2010

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx , equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.